

BY-LAWS AND RULES OF ORDER
HAMILTON COUNTY WATER AND WASTEWATER TREATMENT AUTHORITY

The Board of Directors of the Hamilton County Water and Wastewater Treatment Authority, Hamilton County, Tennessee, met this 23rd day, month of November, 1993, in regular session. The roll of the Board was called and a quorum was present. The following by-laws and rules of order were approved, and made effective hereafter.

RULES OF ORDER

Rule 1. Unless otherwise provided herein, *Roberts Rules of Order* shall be observed and shall govern the proceedings of meetings of the Board of Directors.

QUORUM

Rule 2. A majority of the full membership of the Board shall constitute a quorum and may transact any business subject to action by the Board. A majority of the quorum shall be sufficient for matters other than those involving the expenditure of funds, the appointment of personnel or the creation of financial obligations by contract or otherwise; in any such event, a majority of the full Board is required to approve an item.

DISTRICT ADDRESS

Rule 3. The official business address of the District is:

Office of County Executive
Hamilton County Courthouse
Chattanooga, Tennessee 37402

The address may be changed from time to time by the Board.

GOVERNING LAW

Rule 4. The Authority and the Board shall be governed by the laws of the State of Tennessee, specifically including the County Water and Wastewater Treatment Law [“the Law”], as set forth in the Tennessee Code Annotated, Title 68, Chapter 221, Sections 601, and

those which follow, as same may be amended from time to time. All duties and powers of the Authority and the Board shall derive from the Law, or as elsewhere may be provided.

BOARD MEMBERSHIP

Rule 5. The Board of Directors shall be composed of such members as provided in the Law. Requirements for membership shall be as stated in the Law. Recommendations for membership include:

- a. residency in the service area of the Authority;
- b. active interest in improving the water and wastewater treatment system of the service area of the Authority;
- c. regular attendance at meetings of the Board, as may be defined by the Board, from time to time.

BOARD OFFICERS

Rule 6. The Board shall have officers, including a Chairperson, and a Vice-Chairperson. The Board shall also have a Treasurer and Secretary. The term and duties of each position shall be as set forth herein, or as may be otherwise required by the Law or as may be amended by the Board, from time to time.

DUTIES OF CHAIRPERSON

Rule 7. The duties of the Chairperson shall be as follows:

- a. The Chair shall convene the Board at such time and place as approved by the Board, or as otherwise provided;
- b. The Chair shall preside over all meetings of the Board, preserve order and maintain decorum at meetings;
- c. The Chair shall speak to points of order in preference to other members, and decide questions of order, subject to appeal to the Board of any member;
- d. The Chair shall have general direction of the Board Meeting Room in accordance with the authority granted under these Rules;

- e. The Chair shall appoint all standing and special committees, unless expressly directed otherwise by the Board, and shall be an *ex-officio* member of all committees;
- f. The Chair shall serve as liaison to government agencies.

DUTIES OF VICE-CHAIRPERSON

Rule 8. The duties of the Vice-Chairperson shall be to act in the absence of the Chairperson, exercising the powers and fulfilling the duties otherwise attending the Chairperson.

DUTIES OF TREASURER

Rule 9. The Treasurer shall have general charge and custody of all financial assets and records of the Authority. The Treasurer shall also:

- a. provide a report on the Authority's financial affairs at each meeting in accordance with such guidelines as may be required by the Law and the State Comptroller of the Treasury.
- b. review all documents, which may create financial obligations for the Authority and provide recommendations to the Board prior to action thereon.
- c. prepare a proposed budget, in accordance with requirements established by the Comptroller, for consideration by the Board before the end of each fiscal year, which fiscal year is herein declared to be July 1st through June 30th.
- d. cooperate with the Authority Auditor in the preparation of the annual audit.

DUTIES OF THE SECRETARY

Rule 10. The Secretary shall be the custodian of all records of the Board, except those as may be entrusted to the Treasurer. The Secretary may delegate record custodial duties to legal counsel. The Secretary shall also have the following duties:

- a. to attend all meetings and take minutes thereof, or direct the preparation thereof by legal counsel, the draft of which shall be submitted to the Board for review and approval.

- b. to certify all documents representing official action of the Board or obligating the Authority to the performance of services or the payment of funds.

TERM AND ELECTION OF OFFICERS

Rule 11. Officers shall serve a term of one (1) year, commencing October 1st and ending September 30th of the following calendar year. Officers shall continue to hold office and serve until a replacement is duly elected, unless the officer's term on the Board has expired.

OFFICER VACANCIES

Rule 12. Vacancy in the office of Chairperson shall be filled by the Vice-Chairperson for the unexpired portion of the term. A vacancy in the positions of Vice-Chairperson, Treasurer or Secretary shall be filled by Board election at the next regular meeting. The person chosen shall serve the unexpired portion of the term.

ORDER OF BUSINESS

Rule 13. After appropriate opening ceremonies, the Chairperson shall call for the following:

- a. Call to Order
- b. Roll Call
- c. Proposed Agenda
- d. Recognition of Visitors
- e. Review of Previous Meeting Minutes
- f. Old Business, including, but not limited to:
 - (1) Treasurer Report
 - (2) Committee Report (s)
 - (3) Consultant(s) Report(s)
- g. New Business
- h. Discussion Items
- i. Other Business
- j. Delegations

- k. Next Meeting Date
- l. Adjournment

VOTING

Rule 14. Every member of the Board shall be seated in order to cast a vote; provided, however, that upon motion passed, the Board may elect to waive the requirement that the Board may proceed in a meeting to conduct business with members being out of their chair. There shall be no proxy voting; provided, however, that upon motion passed, the Board may elect to waive for a particular meeting the requirement to be present to vote. In all voting, the presiding officer (Chairperson) shall vote last. Any member of the Board may request and receive of the presiding officer a roll call vote. All votes requiring the expenditure or obligation of public funds in excess of Five Hundred Dollars (\$500.00), shall be by roll call vote.

PURCHASING

Rule 15. All purchases shall be made in accordance with the Utility District Purchasing Procedures law of 1983, *T. C. A. §7-82-801, et sequitur*, as may be amended from time to time, and policies adopted in accordance therewith.

AUDITS

Rule 16. There shall be an annual audit of the financial affairs of the Authority, conducted in accordance with applicable requirements of law.

BUDGET AND FISCAL PLAN

Rule 17. The Board shall adopt an annual budget on or before July 1st of each year and operate under an annual budget. The budget shall present a financial plan for the ensuing fiscal year. The budget and plan shall be in accordance with such guidelines as may be required by law, or adopted by the Board, from time to time.

SURETY BOND

Rule 18. Any Board member, employee or other person authorized by the Board to receive public funds or to make expenditures thereof, or who may have access to any public funds, must be given public surety bond in such form and amount as may be required by law, or prescribed by the State Comptroller of the Treasury. The premium of such bonds shall be paid by the Authority.

INVESTMENTS

Rule 19. All idle funds of the Authority shall be invested in accordance with the provisions of State Law, including, but not limited to *T.C.A. §5-8-301*, as amended from time to time.

FINANCIAL ASSET CONTROL

Rule 20. No single member of the Board shall have exclusive control or custody of the Authority's financial assets. No less than two (2) signatures of authorized Board members shall be required for the disbursement, transfer, withdrawal or investment of any financial assets belonging to the Authority; provided, however, the Board may delegate financial management to such other person(s), including an Executive Director, as it may deem, from time to time, so long as consistent with law. All financial activities shall be in conformance herewith, and applicable laws, as amended from time to time.

TRAVEL POLICY

Rule 21. No person may incur expenses or obligate the Authority therefor without prior Board approval. Persons may be reimbursed the full amount of expenses for approved business travel so long as same are reasonable and necessary. Receipts for hotel or other lodging and airfare, if required, shall be obtained. Auto travel reimbursement shall be based on the then current rate allowed by the IRS. Other expenses shall be itemized. A report shall be provided the Treasurer, who shall make a recommendation thereon to the Board. Travel reports of the Treasurer shall be submitted to the Chairperson for prior review and recommendation.

PAYMENT OF RECURRING CHARGES

Rule 22. The Treasurer is authorized to approve the payment of normal, recurring charges, and issue payment therefor, subject to additional approval by another authorized Board member. Reports shall be made at the next regular Board Meeting.

MEETINGS

Rule 23. The Board shall hold regular meetings at such times and location as the Board may establish, from time to time. Special meetings may be called by the Chair, or a majority of the full Board, for emergency purposes, provided notice thereof is given to all members no less than forty-eight (48) hours before the special meeting. All meetings shall be held in compliance with *T.C.A. § 8-44-101 et sequitur*.

CHANGE OR SUSPENSION OF THE RULES

Rule 24. The Rules of the Board may be altered or amended by a two-third (2/3) vote of the membership. No rule shall be suspended except by a vote of at least two-third (2/3) of the members present. The Chairperson may suspend or invoke the rules at anytime without objection of any member. If an objection is made, the matter shall be put to a vote and a simple majority of those present shall decide the issue. Officers may be elected at the first meeting of each term.

COMMITTEES

Rule 25. The Hamilton County Water & Wastewater Treatment Authority Board (“WWTA Board”) may establish standing or permanent committees or temporary committees to consider issues and make recommendations. Each permanent committee shall be appointed for a period of two (2) years by the Chair. Each such standing committee shall elect a Chair and consist of seven (7) members of the Board; three (3) at-large members who were appointed by Hamilton County government and four (4) municipal members who were appointed by municipal governments. The Board Chair shall serve as an ex-officio member of each committee and may attend and vote.

I. Standing committees shall be as follows:

1. Variance Committee

The Scope of the Variance Committee will be to consider variances from the then current Regulations requested by developers, by property owners or other users of the WWTa sewer system and to make a recommendation to the full Board to be considered at its next meeting. The Variance Committee shall also consider all changes to Regulations and make its recommendations to the Board regarding such proposed changes and also review and make its recommendations to any proposed By-Law change. It shall be the obligation of the Variance Committee to make a recommendation to the Board. The Variance Committee shall be responsible for determining when a variance request should be submitted to the Variance Committee and any information and application which should be completed.

The Variance Committee shall meet on the first Thursday of each month. The Executive Director of the WWTa shall be the staff liaison to the Variance Committee. The purpose and objective of the Variance Committee is to consider requests by customers, developers, etc. that may be at variance with the WWTa regulations. The Variance Committee should consider all the facts presented by the customer/developer and the staff in its deliberation. The Variance Committee shall make a recommendation to the Board for consideration at the Board's next meeting.

2. Legal Committee

The duty of the Legal Committee shall be to be briefed on all pending or threatened litigation involving the WWTa and to be advised of any pending or threatened legislature which affects the WWTa. The Legal Committee may make recommendations to the Board.

The Legal Committee shall meet quarterly on the 2nd Thursday of the first month of each calendar quarter. The Executive Director of the WWTa shall be the staff liaison to the Legal Committee. The Legal Committee shall meet in closed sessions with the WWTa's attorney to hear reports and consider the status of pending litigation. The Legal Committee may provide their thoughts or opinions relative to the litigation and ask questions of counsel. The Legal Committee may from time to time make recommendations to the Board relative to pending litigation.

3. Nomination Committee

The Nomination Committee shall propose a slate of officers each year for the WWTa.

The Nomination Committee shall meet annually. The Executive Director shall be the staff liaison to the Nomination Committee. The Nomination Committee shall meet at least annually to recommend officers for the upcoming or next fiscal year. The officers shall be as follows:

Chair
Vice-Chair
Secretary/Treasurer

The Nomination Committee shall make its recommendation to the Board at the first Board meeting in the new fiscal year.

4. Audit Committee

The Audit Committee shall be responsible for reviewing and overseeing the independent Auditor. The Audit Committee shall be responsible for making any recommendations in changes in audit procedures and shall be responsible for staying current as to the audit procedures which are applicable to the WWTa.

The Audit Committee shall meet annually. The Executive Director shall be the staff liaison to the Audit Committee. The Audit Committee shall provide oversight of the annual audit of the WWTa. The Audit Committee shall interview and recommend to the Board the independent Auditor. The Audit Committee's recommendation shall be presented at the regularly scheduled January Board meeting for the WWTa.

Since the WWTa's financial statements are an integral part of Hamilton County government's financial statements, the Audit Committee should justify the selection of an independent Auditor who is not also the auditor of record for Hamilton County government. Financial cost should not be a consideration of its justification.

The Audit Committee shall receive the Auditor's report and comments or recommendations at the conclusion of the audit. The Audit Committee shall recommend to the Board whether to accept the audit.

5. Development Committee

The Development Committee shall consider all projects for the WWTa and shall make its recommendation to the Board on those projects. The projects to be considered shall be projects initiated by the WWTa, requested by municipal members of the WWTa, requested by developers whether or not developers are requesting a contribution from the WWTa and any other projects which come before the WWTa. The Development Committee shall be responsible for setting procedures for when projects should be presented to the Development Committee and the information and application to be completed.

The Development Committee may meet monthly on the fourth (4th) Thursday of each month. The Executive Director shall be the staff liaison to the Development Committee. The Development Committee shall consider staff recommendations for future development in the WWTa service area. Consideration will include but may not be limited to projects requested by developers, public school system, individuals, businesses wanting to grow, relocate or locate in the WWTa service area, or by municipalities. The Development Committee shall consider the economic aspects of each recommendation and the best financial arrangements for each project. The staff may from time to time make recommendations for the expansion of the system in service area of the WWTa.

II. Ad-Hoc Committees

As provided in Rule 7(e) of the Bylaws, the Chair shall appointment all special or ad-hoc committees. The Executive Director or his designee shall be the staff liaison to all ad-hoc committees. The Chair may appoint committees on a temporary basis to consider issues and make recommendations to the Board. These temporary or ad-hoc committees should meet as often as necessary and for whatever period of time the Committee may need to properly consider the issue and prepare its recommendation. Each ad-hoc committee shall automatically dissolve upon acceptance of its report, dissolution by the Chair or by recommendation of the Board.